



Testimony of Charles Paris  
President of AFSCME Local 1159  
Labor and Public Employees Committee  
HB 6931: AAC New Municipal Employees and the Municipal  
Employees Retirement System  
March 3, 2015

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Good afternoon, Senator Gomes, Representative Tercyak, and members of the Labor and Public Employees Committee. My name is Chuck Paris. I am the President of AFSCME Local 1159, representing Police Officers in the City of Bridgeport.

We urge you to reject HB 6931: An Act Concerning New Municipal Employees and the Municipal Employees Retirement System.

As you all know, retirement is ideally a three-legged stool built on personal savings, Social Security and a pension plan. One of those legs is already missing for us, as we do not participate in Social Security. Trust me, a MERS pension plan does not put anyone in the lap of luxury, but it does help my members retire with dignity after a career of dangerous, difficult work that often compromises our health.

Changing the MERS defined-benefit plan into a defined contribution-savings plan is a risky move for all parties involved – the municipality, workers and taxpayers alike. Real pension plans ensure that employers can attract and retain high-quality workers. I recently read an article about a young firefighter who left Naugatuck after a couple of months on the job and joined the New Haven Fire Department because it offered a defined benefit plan.

From a fiscal standpoint, I urge you to read the recent report by the National Institute on Retirement Security. NIRS studied three states (Alaska, Michigan and West Virginia) that switched their retirement plans from defined benefit (DB) pension plans to defined contribution (DC) 401(k)-type individual accounts. The switch from DB to DC not only led to higher costs in those three states, but also aggravated pension underfunding issues and left employees with higher levels of economic insecurity due to the inadequacy of 401(k)s as a retirement vehicle.

The MERS system is fully funded and provides a reasonable retirement benefit to public service workers. Plan participants like my members are paying 5% of our salaries into this plan. I urge you NOT to fix a system that ISN'T broken.

We urge you to reject the concept behind HB 6931 and maintain MERS as a defined benefit pension plan.

Thank you for this opportunity to testify.